

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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JUN 07 2004

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

R

W-03254A
Rancheros Bonitos Water Co., L.L.C.
14550 S. Avenue 4E
Yuma AZ 85365

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

Ann04	03
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COMPANY INFORMATION

Company Name (Business Name) <u>Rancheros Bonitos Water Co.</u>		
Mailing Address <u>14550 Ave 4E</u>		
<u>Yuma</u> (City)	<u>AZ</u> (State)	<u>85365</u> (Zip)
<u>928-7264094</u> Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address _____		
 (City)	 (State)	 (Zip)
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>Don Scarbrough</u>			<u>Operator</u>
<u>14550 Ave 4E</u> (Street)	<u>Yuma</u> (City)	<u>AZ</u> (State)	<u>85365</u> (Zip)
<u>928-7264094</u> Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>Same</u>			
 (Street)	 (City)	 (State)	 (Zip)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☒ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☒ YUMA

☐ STATEWIDE

2003

COMPANY NAME

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	50,000		50,000
304	Structures and Improvements	1,000	700.	300.
307	Wells and Springs	17,469	1225.	16,244.
311	Pumping Equipment	4850	3395.	1455.
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	9695	6690.	3005.
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	2025	1414.	611.
335	Hydrants	2500	1750.	750
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	3000	1800.	1200
341	Transportation Equipment	6521	1956	4565
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	1005	70	30.
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	97,160	19,000.	28,160.

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	50,000		
304	Structures and Improvements	1,000	10%	100.
307	Wells and Springs	17,469	10%	175.
311	Pumping Equipment	4850	10%	485.
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	9695	10%	970.
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	2025	10%	202.
335	Hydrants	2500	10%	250.
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	3,000	10%	300.
341	Transportation Equipment	6521	10%	652.
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	100	10%	10.
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			3,144

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

2023

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$	\$
134	Working Funds	3,153.80	2,682.37
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	858	-
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	4611	4,565
	TOTAL CURRENT AND ACCRUED ASSETS	\$	\$ 1,241.37
	FIXED ASSETS		
101	Utility Plant in Service	\$ 64,648	\$ 78,160
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	1,593.67	1,900.7
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$	\$
	TOTAL ASSETS	\$ 81,204	\$ 85,407.37

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

Rancheros Bonito

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)	16,556	
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 16,556	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 16,556	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	64,648	28,160
	TOTAL CAPITAL	\$ 64,648	\$ 28,160
	TOTAL LIABILITIES AND CAPITAL	\$ 81,204	\$

COMPANY NAME

Rancharos Bonitos

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$	\$
460	Unmetered Water Revenue	9748.59	10,702
474	Other Water Revenues		
	TOTAL REVENUES	\$	\$ 10,702
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 5950	\$ 6075
610	Purchased Water		
615	Purchased Power	4,110.77	4349.80
618	Chemicals		
620	Repairs and Maintenance	3,316.83	2346.63
621	Office Supplies and Expense	1,203.05	850
630	Outside Services		
635	Water Testing	706.42	819.37
641	Rents	1200	1200
650	Transportation Expenses		
657	Insurance – General Liability		428 ⁰⁰
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	3,144	3,144
408	Taxes Other Than Income	574.56	738.22
408.11	Property Taxes	1114.82	
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 21,720	\$ 20,200.96
	OPERATING INCOME/(LOSS)	\$	\$
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ 11,931	\$ 19,498.96

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	01	3/29/01	12/01	03
Source of Loan				
ACC Decision No.				
Reason for Loan		cert		
Dollar Amount Issued	\$ 9900	\$ 6521	\$ 10679	\$ 5,600
Amount Outstanding	\$ 9900	\$ 6521	\$ 10679	\$ 5600
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ /

Meter Deposits Refunded During the Test Year

\$ /

COMPANY NAME

Ranchoeros Bonitos

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
602959	7	250	.	8	4	

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
15,000	2	2,000	1

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

COMPANY NAME:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	29	35169	
FEBRUARY	29	35169	
MARCH	29	35169	
APRIL	29	35169	
MAY	29	35169	
JUNE	29	35169	
JULY	29	35169	
AUGUST	29	35169	
SEPTEMBER	29	35169	
OCTOBER	29	35169	
NOVEMBER	29	35169	
DECEMBER	29	35169	
TOTAL		N/A	422037

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes

() No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes

() No

If yes, provide the GPCPD amount:_____

What is the level of arsenic for each well on your system. _____mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME _____

YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ _____

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. Paid in 2004 \$ 351.63

COMPANY NAME _____ YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

*Water Co. operating @ a loss
no income reported*

Federal Taxable Income Reported _____

Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____

Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____

Amount of Gross-Up Tax Collected _____

Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

6/3/04
DATE

Dow Scarbrough
PRINTED NAME

Manager
TITLE

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

JUN 07 2004

VERIFICATION

STATE OF AZ

I, THE UNDERSIGNED

OF THE

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

COUNTY OF (COUNTY NAME)
<u>YUMA</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>DON SCARBROUGH</u>
COMPANY NAME
<u>Rancho Bonito Water Co.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$10,702.63

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 742.49

IN SALES TAXES BILLED, OR COLLECTED

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

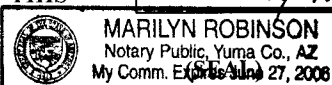
Don Scarbrough
SIGNATURE OF OWNER OR OFFICIAL

(928) 726-4199
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 17th DAY OF



MY COMMISSION EXPIRES 6-27-06

COUNTY NAME		
<u>Yuma</u>		
MONTH	<u>June</u>	<u>2004</u>

Marilyn Robinson
SIGNATURE OF NOTARY PUBLIC

RECEIVED

JUN 07 2004

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>YUMA</u>	
NAME (OWNER OR OFFICIAL) <u>DON SCARBROUGH</u>	TITLE <u>MANAGER</u>
COMPANY NAME <u>RANCHO BONITO WATER CO</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

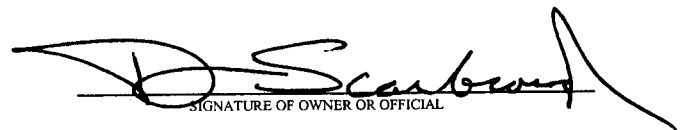
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>10,702.63</u>
--

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 142.49
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

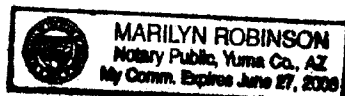
THIS

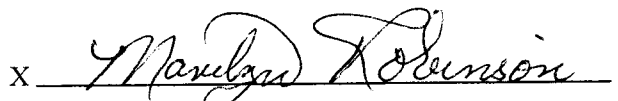
4th

DAY OF

NOTARY PUBLIC NAME <u>MARILYN ROBINSON</u>	
COUNTY NAME <u>YUMA</u>	
MONTH <u>JUNE</u>	20 <u>04</u>

(SEAL)

MY COMMISSION EXPIRES 6-27-06

X 
SIGNATURE OF NOTARY PUBLIC